

SALARIES AND EXPENSES, FEDERAL PREPAREDNESS AGENCY

PURPOSE OF THE APPROPRIATION

This appropriation funded salaries and expenses of the Office of Emergency Preparedness, later the Federal Preparedness Agency, between fiscal years 1974 and 1979. This organization developed and coordinated national civil preparedness policies and programs for mobilization of human, natural, and industrial resources under emergency conditions other than natural disasters, but including nuclear attack. Major responsibilities also included assisting state and local governments in emergency preparedness programs, administering the provisions of the Defense Production Act of 1950, as amended, and managing the strategic and critical materials in the Federal stockpile program.

AUTHORITY FOR THE PROGRAM

Office of Emergency Preparedness resource planning and mobilization functions were founded in part on the Strategic and Critical Materials Stock Piling Act of 1946, as amended, the National Security Act of 1947, the Defense Production Act of 1950, as amended, Reorganization Plan No. 1 of 1958, and the Disaster Relief Act of 1970. Reorganization Plan No. 1 of 1973 and Executive Order 11725 of June 27, 1973, transferred statutory functions to the President, who then assigned authority for continuity of civilian government, emergency resources planning, industrial resources allocation, resource crisis management, and stockpile materials policy to the Administrator of the General Services Administration. GSA's implementation of this new authority was under the guidance of the National Security Council, with stockpiling guidance from the Council on Economic Policy. At the same time, OEP natural disaster functions were transferred to the Department of Housing and Urban Development, and import investigations/oil import policy programs were assigned to the Department of the Treasury.

HISTORY OF THE PROGRAM

Drawing on the experiences of World War II, the National Security Act of 1947 consolidated the Armed Forces into a single Department of Defense, and established the Central Intelligence Agency and the National Security Council. It also created the National Security Resources Board within the Executive Office of the President to serve as the nucleus for national planning for civil emergencies. This Board and its successors acquired and relinquished civil preparedness responsibilities over a number of years through some 24 Acts and Executive Orders.

Executive Order 10242 of May 8, 1951, implementing the Federal Civil Defense Act of 1950, covered areas of critical defense housing, radio stations, civil defense, non-military emergency preparedness planning, supplemental stockpiling, telecommunications contingency planning, and the stockpiling and disposal of critical defense materials. An increase in preparedness duties resulted from the Agricultural Trade Development and Assistance Act of 1954, amended in 1959 by P.L. 86-341 to extend the Act and to assign responsibility to purchase strategic or other materials for a supplemental United States stockpile under the provisions of Section 3 of the Strategic and Critical Materials Stock Piling Act.

In 1958, civil and defense mobilization functions were merged by Reorganization Plan No. 1, and the Federal Civil Defense Administration and Office of Defense Mobilization were joined. Executive Order 10952 of 1961, however, withdrew major civil defense functions from the Office of Civil and Defense Mobilization, assigning them instead to the Department of Defense. Shortly thereafter, Executive Order 10958 transferred emergency medical and food stockpile activities to the Departments of Health, Education, and Welfare, and Agriculture, leaving the Office of Civil and Defense Mobilization with responsibility for investigation, advice, coordination, policy formulation, and preparedness. These responsibilities were reorganized by P.L. 87-296 of 1961 under the successor Office of Emergency Planning (which in 1970 became the Office of Emergency Preparedness). Subsequent changes reassigned telecommunications policy to the newly formed Office of Telecommunications Policy (Reorganization Plan No. 1 of 1970), and incorporated supervision of national relief operations at time of natural disaster (Disaster Relief Act of 1970). The Office of Emergency Preparedness remained within the Executive Office of the President and, by 1971, had a budget equity of \$6 million; budget activities were titled "emergency readiness", "critical materials policy planning", "analytical and computational support", and "executive direction, staff and administrative support".

Under President Nixon's 1973 Reorganization Plan No. 1, major preparedness responsibilities, excluding those for natural disasters, import investigations, and oil import policy, were to be transferred to GSA under the guidance of the National Security Council and Council of Economic Policy. Since the National Security Council seat formerly held by the Director of Emergency Preparedness was not to follow this transfer, however, GSA would not have had the benefit of Council deliberations in developing national preparedness policies. In fact, the "Second Report by the Committee on Government Operations" of April 4, 1973, stated "that Government organizations and resources for civil defense and emergency preparedness... are sadly inadequate....(And under the Reorganization Plan)...there are unresolved organizational issues in handling natural disaster relief and civil defense tasks. (The Plan) does not contribute to the settlement of such issues. By spreading OEP functions through several operating agencies, it would make more difficult the exercise of central policy guidance and Government-wide coordination."

Questions were also raised concerning the ability of GSA, a service and housekeeping agency, to become the civil defense advisor to the President, and whether it had the capability to develop high level national policy when it had never before had that function. The then-Acting GSA Administrator testified that OEP functions and personnel would be transferred intact and placed in an office reporting directly to the Administrator; other agencies having preparedness assignments under the appropriation "Defense Mobilization Function of Federal Agencies" would also continue under the GSA structure. He also noted that GSA, through its Property Management and Disposal Service and predecessors, had been maintaining national stockpiles under OEP's direction since 1949.

Accordingly, on June 27, 1973, Executive Order 11725 abolished the Office of Emergency Preparedness as proposed in Reorganization Plan No. 1, and transferred the statutory functions to the President. The President then delegated them to GSA, with the exception of natural disaster relief (assigned to HUD) and import investigations/oil import policy (to Treasury). Of the \$9.6 million originally requested for OEP, Congress then appropriated \$9.4 million directly to GSA, HUD, and Treasury; GSA's share of \$5,096,000 covered salaries and expenses for 167 positions (from the OEP total of 333) in a new Office of Preparedness. For FY 1975 the long-time GSA function of administering stockpile disposal activities was transferred to the Office of Preparedness for budgetary purposes, although the Office of Stockpile Disposal was not actually transferred until FY 1976.

On June 26, 1975, the organization was renamed the "Federal Preparedness Agency". A Research, Development and Program Coordination Office was incorporated through the June 29, 1975 transfer of the Mathematics and Computational Laboratory and Western Virginia Area Office from the Army Corps of Engineers (\$9,056,000). This provided a new capability for analytical studies of natural materials policy and industrial preparedness under the FPA umbrella.

These functions continued for the next several years and, in FY 1977, the Department of Defense transferred 296 positions and \$22.8 million to FPA for the operation of the Interagency Communications System; this new function was recognized in FY 1978 FPA appropriations. In fiscal years 1978 and 1979, the FPA budget request included \$187,134,000 and \$174,100,000, respectively, for expanded acquisition of strategic and critical materials for the Defense Stockpile; these sums were denied by the Congress pending further study and authorization action.

On March 25, 1979, in accordance with Reorganization Plan No. 3 of 1978, FPA functions other than Stockpile Acquisition and Disposal were transferred from GSA and merged with other agencies' functions to form the Federal Emergency Management Agency (FEMA), an independent agency. Appropriations for stockpile support remained with GSA, and were transferred to Federal Property Resources Activities portion of the budget (see FPRS section of the Digest for additional detail); all other funds were transferred to FEMA, principally to accounts for Emergency Planning, Preparedness, and Mobilization, and for Hazard Mitigation and Disaster Assistance.

DESCRIPTION OF BUDGET ACTIVITIES

Under GSA, FPA activities were conducted under five budget activities:

1. Civil Crisis Preparedness: Identified and evaluated of current and future threats to the U.S. economy caused by dependence on foreign suppliers of certain resources, and for development of policies and programs to minimize these dependencies; developed and recommended concepts and systems for Federal agencies, state, and local governments to best utilize critical resources during periods of shortage or crisis.
2. Conflict Preparedness: Under National Security Council guidance, directed the preparation and implementation of policies and programs to meet approved preparedness objectives for Federal, state, and local governments in times of general war, controlled conflict preparedness, nuclear contingencies, civil emergencies, and acts of terrorism. Also provided policy direction and coordination for the communication system essential to continuity of Government programs (funding provided by DOD until FY 1978).
3. Research, Development, and Program Coordination: Directed and coordinated technical and scientific work programs with Government agencies, the White House, and the scientific community in areas of Federal preparedness and broad non-military defense resource policies. Directed the activities of the Mathematics and Computation Laboratory in providing computer and programming support to FPA and, as requested, to other Federal agencies with emergency preparedness responsibilities.
4. Stockpile Disposal: On the basis of technical, economic, and marketing data, developed plans and programs for the disposal of critical and strategic materials in accordance with statutory provisions. This function remained with GSA after other functions/resources were transferred to FEMA.
5. Service Direction: Executive direction, staff, and administrative support for FPA, including assistance of field staff to and coordination with other agencies and state and local governments.

DEVELOPMENT OF APPROPRIATIONS LANGUAGE

GSA appropriations for this account first appeared in the Treasury, Postal Service, and General Government Appropriation Act of 1974, and terminated in FY 1979. Appropriation language is shown below as it existed at time of transfer to FEMA.

Federal Preparedness Agency Salaries and Expenses

For expenses necessary for emergency preparedness functions, including activities authorized by 50 U.S.C. 404(b)(3), and 50 U.S.C. App. 2251-2297, and the disposal of excess materials in the national stockpile established by the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h), the supplemental stockpile established by section 104 (b) of the Agriculture Trade Development and Assistance Act of 1954 (68 Stat. 456, as amended by 73 Stat. 607), and the inventory maintained under the Defense Production Act of 1950, as amended (50 U.S.C. 2061-2166), including services as authorized by 5 U.S.C. 3109 and expenses of attendance of cooperating officials and individuals at meetings concerned with work of emergency planning, and the provision of transportation in connection with the continuity of Government program, to the same extent and in the same manner as permitted the Secretary of a military department under 10 U.S.C. 2632, \$_____.

BUDGETARY HISTORY OF APPROPRIATIONS (In thousands of dollars)

Fiscal Year	Estimate to OMB	Presidents Allowance	House Bill	Senate Bill	Appropriation		
					Amount	Pub.Law	Date
Salaries & Expenses, Office of Preparedness							
1974	4,846	4,846	4,846	4,846	4,846	93-143	10/30/73
Suppl.*	350	350	350	250	250	93-305	6/8/74
1975	8,215	7,999	7,650	7,650	7,650	93-381	8/21/74
1976	17,942	16,843	16,000	15,000	15,500	94-91	8/9/75
Suppl.*	510	510	510	510	510	94-303	6/1/76
Trans. Qtr	4,680	4,386	4,000	3,750	3,875	94-91	8/9/75
Suppl.*	170	170	170	170	170	94-303	6/1/76
Salaries & Expenses, Federal Preparedness Agency							
1977	16,196	16,380			(Revised due to personnel transfer)		
	16,112	16,296	16,296	16,296	16,296	94-363	7/14/76
Suppl.*	1,024	1,024	1,024	1,024	1,024	95-26	5/4/77
1978	226,510	226,510	(Amended by House Doc. 95-93)				
	39,376	39,376	39,376	38,800	38,800	95-81	7/31/77

Suppl.	70,500	70,500	--	--	--	95-355	9/8/78
Suppl.*	1,402	1,402	1,402	1,402	1,402	95-355	9/8/78
1979	213,345	213,345	213,345	39,245	39,245	95-429	10/10/78

Suppl. (Supplemental appropriations made to Federal Emergency Management Administration.)

* Increased Pay Costs.

FUNDS AVAILABLE AND OBLIGATIONS
(In thousands of dollars)

<u>Fiscal Year</u>	<u>Enacted Appropriations</u>	<u>Comparative Transfers</u>	<u>Other Availability</u>	<u>Total Available</u>	<u>Obligations</u>	<u>Unobligated Balance</u>	<u>Outlays</u>
1972	1/	--	--	--	--	--	--
1973	1/	--	--	--	--	--	--
	2/						
1974	5,096	--	--	5,096	4,368	728	4,327
1975	7,650	--	--	7,650	7,289	361	6,212
1976	16,010	- 34	--	15,976	15,503	473	3/ 14,735
			3/				
Trans Qtr	4,045	- 21	473	4,497	4,418	79	3,587
1977	17,320	--	--	17,320	17,264	56	17,321
1978	40,202	--	--	40,202	39,310	892	36,396
1979	39,245	4/	--	--	--	--	--

1/ Strategic and critical materials storage, maintenance, and disposal funded under "Operating Expenses, Property Management and Disposal Service".

2/ Functions and appropriations were transferred from Office of Emergency Preparedness to GSA on July 1, 1973, under reorganization Plan No. 1 of 1973, Message from the President of January 26, 1973.

3/ Transition quarter made 1976 unobligated balances available for obligation.

4/ When FPA became FEMA, \$2,675 was transferred to the OE, FPRS appropriation for stockpile functions; remaining budget authority was transferred to FEMA under accounts for "Emergency Planning, Preparedness, and Mobilization", and "Hazard Mitigation and Disaster Assistance".

OBLIGATIONS BY BUDGETARY ACTIVITY
(In Thousands of Dollars)

<u>Fiscal Year</u>	<u>Civil Crisis Preparedness</u>	<u>Conflict Preparedness</u>	<u>Research, Development & Program Coordination</u>	<u>Stockpile Acquisition & Disposal</u>	<u>Service Direction</u>	<u>Total Direct Obligations</u>
1974	1,083	1,487	--	--	1,798	4,368
1975	1,230	1,588	--	1,772	2,699	7,289
1976	1,396	7,576	2,365	1,680	2,386	15,503
Trans Qtr	418	2,292	880	346	482	4,418
1977	1,958	7,662	4,098	1,491	2,055	17,264
1978	(2,056)	(27,198)	(4,744)	(2,637)	(3,567)	39,310
1979	(2,060)	(27,206)	(3,925)	(2,539)	(3,515)	(39,245)

NOTE: 1978 actual obligation data not available by activity due to comparability adjustments in the budget related to FEMA transfer; parenthetical entries reflect 1978 plan shown in 1979 budget, and do not total to actual 1978 obligations of \$39,310. All entries for 1979 reflect the plan shown in the 1979 budget; final obligations are unknown, since data were merged entirely in FEMA accounts.

1978 increase for "Conflict Preparedness" reflects functional transfer from DOD for operation of the Interagency Communication System.

Employment Data by Budgetary Activities - Direct Program

Fiscal Year	Civil Crisis Preparedness	Conflict Preparedness	Research, Development & Program Coordination	Stockpile Acquisition & Disposal	Service Direction	Total
1974 Positions	48	53	--	--	69	170
Ave Empl	37	42	--	--	76	155
Ave Grade	--	--	--	--	--	11.26
Ave Salary	--	--	--	--	--	\$19,617
1975 Positions	51	62	--	67	60	240
Ave Empl	51	62	--	67	59	239
Ave Grade	--	--	--	--	--	9.47
Ave Salary	--	--	--	--	--	\$14,934
Ave Wg Bd Sal	--	--	--	--	--	\$13,148
1976 Positions	58	347	135 ^{1/}	71	65	676
Ave Empl	45	321	146	62	51	625
Ave Grade	--	--	--	--	--	9.7
Ave Salary	--	--	--	--	--	\$17,107
Ave Wg Bd Sal	--	--	--	--	--	\$14,525
1977 Positions	55	314	125	65	63	622
Ave Empl	63	327	119	63	69	641
Ave Grade	--	--	--	--	--	9.83
Ave Salary	--	--	--	--	--	\$20,680
Ave Wg Bd Sal	--	--	--	--	--	\$15,837
1978 Positions						906 ^{2/}
Ave Empl						962
Ave Grade						9.73
Ave Salary						\$21,680
Ave Wg Bd Sal						\$19,622
1979 Positions						896
Ave Empl						952
Ave Grade						9.80
Ave Salary						\$21,930
Ave Wg Bd Sal						\$19,670

^{1/} Function transferred from Army Corps of Engineers, effective June 29, 1975.

^{2/} Increased positions/average employment related to transfer of Interagency Communications System from DOD (296 positions).

NOTE: All data pertain to Central Office; no field employment.

ADVANCES AND REIMBURSEMENTS, FEDERAL PREPAREDNESS AGENCY

PURPOSE OF THE PROGRAM

The FPA reimbursable program served to operate a cafeteria at the special facility, to provide transportation to that special facility (to keep transportation lines functional), to provide computer support to other Federal agencies, to provide services to other agencies at the special facility, and to provide advisory services on various aspects of emergency preparedness upon the request of Federal agencies or foreign countries.

AUTHORITY FOR THE PROGRAM

Section 601 of the Economy Act of 1932 provides authority for performance of reimbursable services.

Obligations and Employment					
<u>Fiscal Year</u>	<u>Permanent Positions</u>	<u>Avg Paid Employment</u>	<u>Ave GS Grade</u>	<u>Ave GS Salary</u>	<u>Obligations \$(Thousands)</u>
1974	4	4	8.75	\$16,437	\$ 2
1975	4	27	8.75	\$19,057	119
1976	4	11	8.75	\$18,500	610
Trans Qtr	--	--	--	--	1,450
1977	24	36	8.70	\$16,530	2,642
1978	(24)	(31)	(8.45)	(\$17,200)	3,103
1979	(24)	(31)	(8.45)	(\$17,200)	(2,191)

NOTE: 1978 parenthetical entries reflect plan shown in 1978 column of 1979 budget, and may not correspond to the \$3,103 actually obligated.

All 1979 data reflect the 1979 budget plan; actual data not available due to budget comparability adjustments.
